

MERCHANDISING LICENSE AGREEMENT

AGREEMENT NO. MLA201801837

DATE: June 25, 2018

LICENSOR: MGA ENTERTAINMENT, INC. ("Licensor")
16380 Roscoe Boulevard
Van Nuys, CA 91406

Telephone: +31 (0) 172-758010
Direct: +31 (0) 6-515-65769
Contact: Egita DiFilippo
Email: edifilippo@mgae.com

LICENSEE: ND PLAY, LLC ("Licensee")
8 Marta Str., 3 Bld., Room 63
Moscow 125167
Russia

Telephone: +7-49-5785-6514
Fax No. N/A
Contact: Grigory Kobenya
Email: g.kobenya@ndplay.ru

SCHEDULE

1. **"LICENSED PROPERTY"**: The Licensed Property consists of artwork and other distinctive creative elements derived from the property entitled **"L.O.L. SURPRISE!™"**, along with any characters, artwork and other distinctive creative elements and names associated therewith, along with any other proprietary marks related thereto.
2. **"LICENSED ARTICLES"**: Licensed Articles shall include the following:

Licensed Articles: L.O.L. SURPRISE!	Minimum number of designs
Glassware: glasses, mug, salad bowl, plate, dish set	1
Porcelain: mug, salad bowl, plate, dish set	1
Disposable tableware	1
Disposable cutlery made of plastic (in sets or individual)	1
Paper napkins	1
Party hats, party gariand, wall decorations (in sets or individual)	1
Balloons in sets (latex, 12")	1

Balloons (foil, helium)	1
Rubber balls (different sizes)	1
Gift bags, textile bags	1
Gift boxes (sizes from 90x60x100 up to 180x120x200)	1
Wrapping paper	1
Candles	1
Posters	1
Keyrings (no 3D), magnets (in sets or individual)	1
Invitations, cards (in sets or individual)	1
Cake toppers in sets (no 3D)	1
Tablecloth (paper, PVC)	1
Sticker sheets	1

3. **“LICENSED TERRITORY”:** Russia, Belarus and Kazakhstan (“Licensed Territory”). If Licensee markets, promotes, sells or offers for sale, directly or indirectly, any of the Licensed Articles outside of the Licensed Territory, Licensor may, in its sole and absolute discretion, immediately terminate this Agreement.
4. **“DISTRIBUTION CHANNELS”:** Licensee is authorized to sell the Licensed Articles to retailers in the Licensed Territory for resale to the public in the Licensed Territory (“Distribution Channels”). Licensee is prohibited from selling the Licensed Articles to unauthorized retailers, wholesalers or distributors. The Distribution Channels in which Licensee is authorized to sell the Licensed Articles are as follows: Internet websites (OZON, My-shop, etc), mass market (OKEY, Magnit, Europa, Dixy, Lenta, METRO, Auchan, etc), dollar stores (FixPrice, Zaodno), mail order/catalogs (Russianpost Market, Moy Mir, T-mall, Beru.ru), airport stores/duty free (HoroshieNovosti), wholesalers* and distributors* (SimaLand) in the Distribution Channels only, book retailers (Respublika, labirint, Biblioglobus, etc), and toy stores (Detskiy, BubleGum, DochkiSinochki, Korablik, Hemley's). Neither Licensee nor its retail customers shall display Licensed Articles or offer them for sale by means of any Internet website that is not a derivative of a “brick and mortar” retail store, except as indicated above or permitted in writing by Licensor and in conformity with Licensor’s Internet privacy and content policies. Licensee shall not register any domain name incorporating in whole or in part the name of the Property, the names of any characters or phrases associated with the Property.
5. **“TERM” AND “SELL-OFF PERIOD”:** The Term begins September 1, 2018 and ends August 31, 2020 (“Term”), unless sooner terminated as provided in the Standard Terms and Conditions attached hereto. Following the expiration of the Term, Licensee shall have a period of sixty (60) days to sell-off any unsold inventory of Licensed Articles.
6. **RIGHTS GRANTED:** In consideration of the payments set forth below, and subject to the covenants, undertakings and agreements by Licensee in this Agreement, Licensor hereby grants to Licensee the non-exclusive right to use the Licensed Property only in connection with the Licensed Articles, in the Distribution Channels throughout the Licensed Territory for the Term in a manner reasonably acceptable to Licensor. Licensee may not use the Licensed Property as the name of any retail establishment. Unless otherwise specified herein, the rights granted do not include rights to any of Licensor’s animated or live action motion pictures.

- (f) For the purposes of this agreement, Megalicense, LLC located at Konny Pereulok, Building 12, 3rd floor, Office 1, Moscow 121352, Russia shall be named as Licensor's authorized representative and Licensor hereby authorizes said representative to invoice and collect all monies due and receive all royalty reports on Licensor's behalf. **Licensor reserves the right to change its authorized representative at any time upon written notice to Licensee.**

Licensor's authorized Representative, Megalicense's payment information:

Megalicense LLC
115162, Moscow
Konny Pereulok, Building 12
Floor 3, Office 1

Banking details are as follows:

Bank: PAO Sberbank
Account No. 40702810538000030536
Correspondent Account: 30101810400000000225
BIC: 044525225

By signing below, Licensee affirms that it is in agreement with the foregoing and that it has read and understands and agrees to be bound by the Standard Terms and Conditions attached hereto and forming a part hereof. Licensee further agrees that this Agreement, consisting of the Schedule and Standard Terms and Conditions, shall also serve as an invoice to Licensee with respect to the amounts payable hereunder and Licensee agrees to pay such amounts to Licensor as and when specified herein. This Agreement shall not be binding upon Licensor until fully signed and delivered and the Licensor receives the Advance.

ACCEPTED AND AGREED TO:

ND PLAY, LLC
("Licensee")

MGA ENTERTAINMENT, INC.
("Licensor")

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

